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ORIGINAL

January 14, 2004

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COMMISSION  
CLERK

Ms. Blanca S. Bayo, Director  
Division of Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Petition of Tampa Electric Company for Approval of a New Standard Offer Contract for Qualifying Cogeneration and Small Power Production Facilities and Approval of Associated Revisions to Tariff Schedules COG-1 and COG-2;  
FPSC Docket No. 031110-EQ

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and fifteen (15) copies of Tampa Electric Company's Amendment to Petition of Tampa Electric Company for Approval of a New Standard Offer Contract for Qualifying Cogeneration and Small Power Production Facilities and Approval of Associated Revisions to Tariff Schedules COG-1 and COG-2.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter.

RECEIVED & FILED

Sincerely,

*oh*  
FPSC-BUREAU OF RECORDS

*James D. Beasley*  
James D. Beasley

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- CAE \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
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JDB/pp  
Enclosure

*Orig Tariff sheets forwarded to ECR*

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Tampa Electric Company )  
for Approval of a New Standard Offer )  
Contract for Qualifying Cogeneration )  
and Small Power Production Facilities )  
and Approval of Associated Revisions )  
to Tariff Schedules COG-1 and COG-2 )  
\_\_\_\_\_ )

DOCKET NO. 031110-EQ  
FILED: January 14, 2004

**AMENDMENT TO TAMPA ELECTRIC COMPANY'S PETITION  
FOR APPROVAL OF A NEW STANDARD OFFER CONTRACT  
FOR QUALIFYING COGENERATION AND SMALL POWER  
PRODUCTION FACILITIES AND APPROVAL OF ASSOCIATED  
REVISIONS TO TARIFF SCHEDULES COG-1 AND COG-2**

Tampa Electric Company ("Tampa Electric" or "the company"), pursuant to Section 366.051, Florida Statutes, and Rule 25-17.083, Florida Administrative Code, hereby amends the Petition it filed on December 16, 2003 for Commission Approval of a New Standard Offer Contract ("Standard Offer") and as grounds therefor, says:

1. Tampa Electric amends its December 16, 2003 Petition in this docket by requesting the inclusion of an expiration date of the Standard Offer Contract of May 1, 2011.
2. Tampa Electric further amends its Petition to clearly reflect a five-year contract term.
3. In all other respects the Petition filed on December 16, 2003 remains the same. Attached hereto are Revised Tariff Sheets Nos. 8.210, 8.480 and 8.535 which we ask to be substituted in place of the corresponding tariff sheets that accompanied Tampa Electric's initial Petition. These sheets are replacements for those previously filed under Exhibits A and B of the Petition. Under Exhibit A Tariff Sheet No. 8.480 is revised to include the expiration date of the contract and Tariff Sheet No. 8.535 is revised to correct an erroneous contract date. Under Exhibit

B Tariff Sheet No. 8.210 is revised to clearly reflect the five-year contract term the company is proposing.

WHEREFORE, Tampa Electric respectfully requests that the Commission grant its Petition for Approval of its Standard Offer Contract and Revised COG-1 and COG-2 tariffs filed on December 16, 2003 as amended by this filing.

DATED this 14<sup>th</sup> day of January 2004.

Respectfully submitted,



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LEE L. WILLIS  
JAMES D. BEASLEY  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, FL 32302  
(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Amendment to Tampa Electric Company's Petition for Approval of a New Standard Offer Contract, has been served by hand delivery(\*) on this 14<sup>th</sup> day of January 2004 to the following:

Ms. Jennifer Rodan\*  
Senior Attorney  
Office of General Counsel  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

  
\_\_\_\_\_  
ATTORNEY

Continued from Sheet No. 8.205

For the purpose of this schedule, the Avoided Unit has been designated by the Company as a 5 MW portion of a 180 MW combustion turbine generating unit with an in-service date of May 1, 2006. Appendix A of this schedule describes the methodology used to calculate payment schedules, general terms, and conditions applicable to the Company's Standard Offer Contract pursuant to FPSC Rules 25-17.080 through 25-17.091, F.A.C.

1. **Firm Capacity Rates:** Four options (i.e. Options 1, 2, 3, and 4, as set forth below) are available for payment of Firm Capacity which is produced by the QF and delivered to the Company. Once selected, the selected option shall remain in effect for the term of the contract with the Company. Exemplary payment schedules, shown on sheets following this section, contain the monthly rate per kilowatt (kW) of Firm Capacity the QF has contractually committed to deliver to the Company and are based on a contract term which extends 5 years beyond the in-service date of the Designated Avoided Unit (i.e., through April 30, 2011). Payment schedules for longer contract terms will be made available to a QF upon request and may be calculated based on the methodologies described in Appendix A. At a maximum, Firm Capacity and Energy shall be delivered for a period of time equal to the anticipated plant life of the Designated Avoided Unit, commencing with the in-service date of the Designated Avoided Unit.

**Option 1 - Value of Deferral Capacity Payments:** Value of Deferral Capacity Payments shall commence on May 1, 2006, the in-service date of the Designated Avoided Unit, provided the QF is delivering Firm Capacity and Energy to the Company in accordance with the Minimum Performance Standards (MPS) as described in Appendix C. Capacity payments under this option shall consist of monthly payments, escalating annually, of the avoided capital and fixed operating and maintenance expense associated with the Designated Avoided Unit and shall be equal to the value of the year-by-year deferral of the Designated Avoided Unit, calculated in conformance with FPSC Rule 25-17.0832, F.A.C., as described in Appendix A.

Continued to Sheet No. 8.215

ISSUED BY: W. N. Cantrell, President

DATE EFFECTIVE:

Continued from Sheet No. 8.475

b. **Qualifying Facility**

- i. On or before the in-service date of the Designated Avoided Unit, the QF shall be a cogeneration facility or small power production facility that is a Qualifying Facility under Subpart B of Subchapter K, Part 292 of Chapter I, Title 18, Code of Federal Regulations (C.F.R.), promulgated by the Federal Energy Regulatory Commission (FERC), as the same may be amended from time to time. Such a facility must be "new capacity" pursuant to the Public Utilities Regulatory Policies Act of 1978 (PURPA), construction of which began on or after November 9, 1978. On or before the in-service date of the Designated Avoided Unit and at all times throughout the remaining term of this Agreement, such QF shall maintain its status as a QF as defined herein and as certified by the FERC. By the end of the 1<sup>st</sup> quarter of each calendar year, the QF shall furnish the Company a notarized certificate by an officer of the QF certifying that the Facility has continuously maintained qualifying status on a calendar year basis since the commencement of the term of this Agreement.
- ii. QF contemplates installing and operating a \_\_\_\_\_ MVA generator located at \_\_\_\_\_ which shall be and remain the specific site of the QF throughout the term of this Agreement. The generator is designed to produce a maximum of \_\_\_\_\_ megawatts (MW) of electric power designed, operated and controlled to provide reactive power requirements from 0.95 lagging to 0.95 leading power factor at the point of interconnection with the Company, such equipment being hereinafter referred to as the "Facility".

- c. **Evaluation Procedure:** Each eligible Standard Offer Contract received by the Company will be evaluated as to its technical reliability, viability and financial stability, as well as other relevant information, in accordance with FPSC Rule 25-17.0832, F.A.C., and the Company's Procedure for Processing Standard Offer Contracts as defined in Rate Schedule COG-2 (COG-2). The criteria and procedure used to evaluate Standard Offer Contracts are attached to the Standard Offer Contract as Appendix A.

4. **Term of the Agreement:** This Agreement shall begin immediately upon its execution by the parties and shall end at 12:01 a.m., May 1, 2006.

Continued to Sheet No. 8.485

Continued from Sheet No. 8.530

- ii. after Monthly Capacity Payments have begun, the QF fails each month, for 24 consecutive months, to meet the MPS; or
  - iii. QF refuses, is unable or anticipatorily breaches its obligation to deliver its Actual Contracted Capacity after May 1, 2006.
- c. **Default Remedy:** In the event of default by the QF, the total Repayment Account balance shall become due and payable within 20 business days of receipt of written notice, as reimbursement for the early capacity payments made to the QF by the Company. The QF's obligation to reimburse the Company in the amount of the balance in the Repayment Account shall survive the termination of the QF's Standard Offer Contract with the Company. Such reimbursement shall not be construed to constitute liquidated damages and shall in no way limit the right of the Company to pursue all its remedies at law or in equity against the QF.

**9. General Provisions:**

- a. **Permits:** QF hereby agrees to seek to obtain any and all governmental permits, certifications, or other authority QF is required to obtain as a prerequisite to engaging in the activities provided for in this Agreement. The Company hereby agrees to seek to obtain at QF's expense any and all governmental permits, certifications or other authority the Company is required to obtain as a prerequisite to engaging in the activities provided for in this Agreement
- b. **Indemnification:** The Company and QF shall each be responsible for its own facilities. The Company and the QF shall each be responsible for its own facilities in ensuring adequate safeguards for other Company Customers, the Company and QF personnel and equipment, and for the protection of its own generating system. The Company and the QF shall each indemnify and save the other harmless from any and all claims, demands, costs, or expense for loss, damage, or injury to persons or property of the other caused by, arising out of, or resulting from:

Continued to Sheet No. 8.540